

Approved 2/23/87
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~xxx~~/p.m. on Wednesday, February 18, 1987 in room 514-S of the Capitol.

All members were present except:

Committee staff present: Gloria Timmer, Legislative Research
Ray Hauke, Legislative Research
Jim Wilson, Revisors Office
Sharon Schwartz, Administrative Aide
Nadine Young, Committee Secretary

Conferees appearing before the committee:

Guest List (Attachment 1)

First order of business was to hear those Fee Agency subcommittee reports that were available -- HB 2224.

BOARD OF EXAMINERS IN OPTOMETRY

Representative Kent Campbell presented the subcommittee report (Attachment 2). Subcommittee concurs with the Governor's recommendation for FY 1987 and FY 1988. Representative Shriver moved that the report be adopted. It was seconded by Representative Teagarden. Motion carried.

BOARD OF PHARMACY

Subcommittee recommends the addition of \$5,821 in FY 1987 for partial payment toward a computer system (Attachment 3). Subcommittee concurs with Governor's recommendations for FY 1988 with a few adjustments (Attachment 4). Representative Goossen moved that the subcommittee reports be adopted. It was seconded by Representative Chronister. Motion carried.

Chairman turned to consideration of the budget for Board of Regents' -- Systemwide Summary and Issues.

SECTION A -- Statewide Financing Comparisons

No decision required.

SECTION B -- Fiscal Year 1987 Rescissions

Chairman announced that no decision is required today, subcommittees will make recommendations as they review the budgets.

SECTION C -- FY 1987 Supplemental Appropriation Requests

Request for \$199,915 for KANS-A-N Long Distance Service. Representative Bunten moved that this amount be deleted from the budget, and that it be absorbed in OOE expenditures for each institution. Representative Ott seconded. Motion carried. This motion applies to FY 1988 as well as FY 1987.

SECTION D -- General Fees Fund Expenditures.

Governor has recommended that 75% of the fees be released and 25% be used to reduce state general fund expenditures at the universities. Representative Ott moved that 50% of the fees be released for FY 1987, rather than 75%. Representative Hoy seconded. On a show of hands vote, the motion carried, 12 to 9.

Representative Mainey moved that no general fees be released in FY 1988, he feels that we need to wait until more accurate figures are available on all universities and that this should be handled next year. Seconded by Representative King. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~xxx~~ p.m. on Wednesday, February 18, 19 87

SECTION E -- STUDENT TUITION

Representative Chronister moved that this committee recommend to the Board of Regents that out-of-state tuition fees be increased substantially. This motion is made after hearing yesterday's presentation showing out-of-state tuition in comparison with other universities. Seconded by Representative Wisdom. It was agreed that this statement would be included in the sub-committee report for the Board of Regents' office, if the motion passes.

Discussion followed concerning this matter. Mention was made of a bill just introduced by Representative Vancrum on this same subject. Representative Turnquist expressed concern that committee should hold off on this decision until HB 2383 is considered.

Chairman asked for a vote on Representative Chronister's motion, and the motion carried.

SECTION F -- ENROLLMENT ADJUSTMENT

Representative Chronister moved that this committee accept the Governor's recommendations for the enrollment adjustment for new corridors of one-half percent above and 2 and one-half percent below, as long as the institutions are below the average in the education area. Representative Duncan seconded. Representative Shriver offered a substitute motion that the adjustment be at 3½% on the down side, keeping in accordance with the interim committee's recommendations. Representative Teagarden seconded. Motion failed. Chairman turned back to the original motion and asked for a vote. Motion carried. Along the same lines, Representative Chronister made another motion that the three-year cycle be replaced with a single-year cycle in figuring enrollment adjustments. Representative Heinemann seconded and the motion carried.

SECTION G -- Unclassified Salaries

Governor has recommended a 2.5 percent salary increase for unclassified personnel on a systemwide basis. Representative Lowther moved that this committee concur with the Governor's recommendation. Seconded by Representative Solbach. Motion carried.

Representative Lowther moved to accept the Governor's recommendation to finance a one percent increase in employer contribution to the unclassified employees' retirement plan (TIAA-CREF). Representative Mainey seconded. On a show of hands vote, the motion failed.

SECTION H -- CLASSIFIED SALARIES No decision necessary.

SECTION I -- STUDENT SALARIES

Representative Hoy moved that this committee accept the Governor's recommendation for a 2.5% increase to the student wage base. Seconded by Representative Lowther. Motion carried.

SECTION J -- OTHER OPERATING EXPENSES

Representative Duncan moved that this committee accept the Governor's recommendation to provide a 2.0% increase to the statewide OOE base for FY 1988 and that the 3.0% one-time education program OOE base be deleted. Representative Fuller seconded. This would result in a 2.0% across the board based on existing OOE appropriations, rather than the peer based distribution which the Governor is recommending. Representative Solbach requested division on the motion. Voting on the 2.0% increase to the statewide OOE base for FY 1988, the motion carried. Voting on the 3.0% one-time education program OOE base deletion, the motion carried.

SECTION K -- UTILITIES

Governor is recommending no increase in utilities. Representative Miller moved that this committee concur with the Governor's recommendation. Seconded by Representative Heinemann. Motion carried. To clarify the motion, Chairman Bunten stated that the motion should also include no recommendation for transfer to energy saving capital improvements.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~xm~~/p.m. on Wednesday, February 18, 1987

SECTION L -- SERVICING OF NEW BUILDINGS

Representative Duncan moved that this committee concur with the Governor's recommendation to not recommend funds for servicing new buildings, pending Governor's budget recommendation. Seconded by Representative Solbach. Motion carried.

SECTION H -- Telecommunications

Chairman Buntten commented that the Governor has funded all the new telecommunication systems out of the general fund, and that it appears that there are some other restricted use funds that would be available. Representative Buntten moved that each subcommittee study their individual regents' institution and make a determination as to whether we need to have it all state general fund in that budget, or whether there are restricted use funds available. Representative Solbach seconded. Motion carried.

Meeting adjourned at 3:00 p.m.

GUESTS

Date 2-18-87

Name	Address	Representing
Tom Hitchcock	Topoka	Bd. of Pharmacy
Angela Buoy	"	" " " "
Sally Streff	Topoka	AP
Bill Hattenback	Pittsburg	PSU
David Stephens	Emporia	ESU
Bush Wehler	Topoka	AAUP
Theresa Shively	Topoka	KANSAS NARAK
Martie Aaron	Lawrence	KU
Mark Salk	Topoka	ASK
Fred Sidermann	Wichita	Wichita State Unity
Elaine Hauler	Big	
Jackie Ulrich	Big Emporia	Intern
Mike Johnson	Monkton	K.S.U.
Marlin Reed		KU
Michael O. Kufe		University of Kansas Medical Center
TED D. AYLES	Topoka	K.S. BOARD OF REGENTS
Linnwood Sexton	^{P.R.#2} Sedgewick, K's	K.S. Board of Regents
Marvin Burris	Topoka	✓
David J. Monical	Topoka	Washburn

SUBCOMMITTEE REPORT

Agency: Board of Examiners in
Optometry

Bill No. 2224

Bill Sec. 15

Analyst: Mills

Analysis Pg. No. 50

Budget Pg. No. 1-205

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 22,531	\$ 22,540	\$ --
FTE Positions	.3	.3	--

House Subcommittee Recommendations

FY 1987. The House Subcommittee concurs with the Governor's recommendation for FY 1987.

FY 1988. The House Subcommittee concurs with the Governor's recommendations for FY 1988, with the following additional comments:

1. The Subcommittee has reviewed the report submitted by the Board concerning the number, the origin, and the status of complaints it has received in FY 1986 and FY 1987 (to date). The Subcommittee notes that the requested expenditure authority of \$7,000 for hearings should not be reduced because of the difficulty in predicting the number or expense of future complaints. We again suggest that future subcommittees monitor these complaints to determine any change in the filing trend.

2. The Subcommittee notes that the agency's ending balance for FY 1986 totals \$57,320. The estimated ending balance for FY 1987 totals \$50,931 and for FY 1988 totals \$42,983. The Governor's recommendation for FY 1987 and FY 1988 reduces fees for renewal of licenses from \$75 to \$40. However, the projected revenue for FY 1988 would still exceed expenditures if a large majority of the \$7,000 budgeted for hearing costs is not utilized. This Subcommittee concurs that the agency set its fees at a level designed to generate operating revenue at an amount equal to the estimated expenditures less any amounts budgeted for hearings. The Subcommittee recommends that future subcommittees monitor the ending balances of the agency to determine the appropriate level for the fee fund.

Based on the recommendations of the Subcommittee in FY 1987 and FY 1988, the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1986</u>	<u>Estimated FY 1987</u>	<u>Estimated FY 1988</u>
Beginning Balance	\$ 47,918	\$ 57,320	\$ 50,931
Net Receipts	24,953	14,192	14,592
Total Funds Available	\$ 72,871	\$ 71,512	65,523
Less: Expenditures	15,551	20,581	22,540
Ending Balance	<u>\$ 57,320</u>	<u>\$ 50,931</u>	<u>\$ 42,983</u>



Representative Jack Shriver
Subcommittee Chairperson



Representative Kent Campbell

488.88

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. --

Bill Sec. --

Analyst: West

Analysis Pg. No. 52

Budget Pg. No. 1-207

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 273,086	\$ 268,052	\$ 5,082
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendations

The Board estimates current year expenditures of \$273,086, a reduction of \$48 from the amount approved by the 1986 Legislature. Internal shifts are primarily due to an increase in anticipated attorney fees (\$7,000), decreases in travel expenditures (\$5,000), and a change in the expenditure category for the purchase of a computer system from capital outlay to fees paid to DISC (\$4,500).

The Governor recommends current year expenditures of \$268,052, a reduction of \$5,034 from the Board's estimate. The recommendation reflects reductions in travel expenditures (\$1,229), attorney fees (\$1,100), examination expenses (\$900), and an increase of \$212 for salaries to reflect revised fringe benefits. Net other changes decrease expenditures by \$2,017.

House Subcommittee Recommendations


FY 1987. The Subcommittee concurs with the Governor's recommendations, with the following adjustments:

1. The Subcommittee recommends the addition of \$5,821 in FY 1987 for partial payment toward a computer system to be shared with the Board of Nursing and the Board of Healing Arts. The Subcommittee learned that a portion of the system's cost was put on a five-year certificate of participation. The Subcommittee recommends that the system be acquired without the use of a certificate of participation. Purchase of the system would be completed in FY 1988.
2. Delete \$739 associated with greater than anticipated turnover savings.
3. The Subcommittee notes that a supplemental appropriation for the Board may be required later in the session. The Subcommittee learned that two motor pool vehicles assigned to the Board were

damaged in accidents and that the motor pool will bill the Board for the difference between the vehicles' value and what they bring at a salvage auction.



Representative Duane Goossen
Subcommittee Chairperson



Representative Elaine Hassler

531.87

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 2224

Bill Sec. 16

Analyst: West

Analysis Pg. No. 52

Budget Pg. No. 1-207

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 294,166	\$ 278,000	\$ (260)
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendation

The Board requests an FY 1988 budget of \$287,719, an increase of \$14,633 or 5.4 percent from the revised FY 1987 budget estimate. The budget request provides for increases of \$6,643 for travel expenditures, \$6,900 for examination expenses, and \$3,000 for attorney fees from the current year estimates. Net other changes decrease expenditures by \$1,910.

The Governor recommends an FY 1988 budget of \$278,000, an increase of \$9,948 from the current year recommendation. The recommendation provides for increases of \$7,800 for examination expenses, \$1,500 for travel and subsistence and \$1,100 for attorney fees. Net other changes decrease expenditures by \$452.

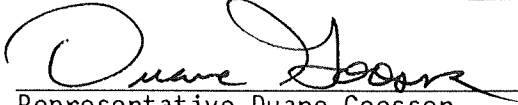
House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations, with the following adjustments:

1. Add \$7,691 to complete the acquisition of the shared computer system.
2. Delete \$5,000 associated with attorney fees. This recommendation provides \$20,000 for attorney fees in FY 1988.
3. Delete \$2,951 associated with the acquisition of a laser jet printer. With the purchase of the shared computer system in FY 1987 and FY 1988 instead of stretching payments over five years, the Subcommittee recommends deferring the purchase of the laser jet printer until FY 1989.

The fee fund analysis, based on the House Subcommittee's recommendations, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1986</u>	<u>Estimated FY 1987</u>	<u>Estimated FY 1988</u>
Beginning Balance	\$ 147,917	\$ 129,371	\$ 114,693
Net Receipts	250,499	258,456	268,096
Total Funds Available	\$ 398,416	\$ 387,827	\$ 382,789
Less: Expenditures	269,045	273,134	277,740
Ending Balance	<u>\$ 129,371</u>	<u>\$ 114,693</u>	<u>\$ 105,049</u>



Representative Duane Goossen
Subcommittee Chairperson



Representative Elaine Hassler

531.88